



DEPARTMENT OF THE NAVY
COMMANDER MILITARY SEALIFT COMMAND
914 CHARLES MORRIS CT SE
WASHINGTON NAVY YARD DC 20398-5540

REFER TO:

COMSCINST 7042.2B
N8
30 May 2001

COMSC INSTRUCTION 7042.2B

Subj: OFFICIAL REPRESENTATION FUNDS

Ref: (a) SECNAVINST 7042.7J

Encl: (1) Listing of DOD Officials Eligible for Official Courtesies
(2) Official Representation Expense Documentation Sheet (MSC 7042/1)
(3) ORF Procedures for Use of Government Purchase Card and Electronic Certification of Purchases (Revised 5/00)

1. Purpose. To establish guidelines and procedures for the administration of Official Representation Funds (ORF).

2. Cancellation. COMSCINST 7042.2A.

3. Background

a. Each fiscal year, Chief of Naval Operations (CNO) requests and receives an annual ORF budget for Military Sealift Command (MSC) from the Assistant Secretary of the Navy (ASN). MSC obtains an annual allocation, which is funded quarterly. Augments may be received from CNO, if additional justification for policy exceptions is submitted and approved by CNO.

b. MSC has been allocated a minimal number of ORF credit cards by ASN. N00 designates cardholders. ORF credit cardholders must receive training and certify to same to ASN prior to actually receiving their ORF cards.

4. Policy. ORF is to be used only to maintain the standing and prestige of the United States. This includes the hosting of official functions and the presentation of command mementos. The scope of functions, including the size, cost and number of guests invited, should be held to a minimum and commensurate with the occasion.

a. Reimbursable Expenditures. Only expenditures for, or in honor of, the individuals listed below are reimbursable from ORF.

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(1) Distinguished citizens, military officers and government officials of foreign countries. The rank, positions, function or stature of the individuals must clearly justify use of these funds.

(2) Prominent Federal (non-DOD), State and local government officials, such as, but not limited to, members of the cabinet, members and professional staff of Congress, governors, mayors and citizens' committees.

(3) Distinguished and prominent citizens who have made a substantial contribution to the Nation or the Department of Defense (DOD), or who are recognized leaders in their fields of expertise, and on certain occasions, members of the news media.

(4) Military and civilian personnel associated with the Foreign Warship Visit Information Program on official visits to United States ports or when United States vessels are on official visits to foreign ports.

(5) Those military and civilian officials of DOD listed in enclosure (1) when they are on official visits to field activities. Courtesies shown these officials shall only be in the form of official hosted functions. It shall not be used for expenses that are solely for the personal entertainment of these officials, whether in the Washington, DC, area or the field. Functions in honor of DOD personnel held within the Washington, DC, area or held anywhere in honor of DOD personnel not listed in enclosure (1) will not be funded with ORF.

b. Attendance Ratios. At official hosted functions where ORF is used, unless otherwise limited by this instruction, an appropriate ratio of non-DOD guests to DOD personnel (including spouses) will be observed. This requirement does not apply to those functions honoring the officials listed in enclosure (1). At all other functions, however, when attendance is less than 30 persons, at least 20 percent must be non-DOD guests; at functions of 30 persons or more, at least 50 percent must be non-DOD guests. Additionally, as specific occasions warrant, the ASN or CNO, as deemed appropriate may authorize different ratios.

(1) DOD personnel in excess of the ratios above may attend functions by paying a pro rata share of the total expense. Such attendance shall be recorded as a separate part of the official guest list furnished for the event.

(2) For DOD personnel attending official hosted functions who are receiving per diem or reimbursement for actual expenses while on authorized official travel, an appropriate amount will be collected from each such person to reduce the ORF cost of the function. The amount to be collected at functions where meals are served is the approved proportionate amount allowed for the meal under current per diem rates or the actual cost of the meal, if less. No collections will be required at receptions where only hors d'oeuvres are served or for official courtesies in honor of the DOD officials included in enclosure (1). Vouchers will be annotated to show the number of persons from whom collections were made. These DOD personnel should be included in the total number of DOD attending the function but will not be counted against any required ratio of DOD and non-DOD personnel as long as the amount of per diem collected is at least equivalent to the member's pro rata share of the total expense.

c. Gifts and Mementos

(1) Gifts or mementos with a command or official theme and costing no more than \$245 or the current amount determined in reference (a), may be presented at official ceremonies or functions. The aggregate cost of gifts presented by any one DOD official to any one authorized guest may not exceed \$245. This monetary limit also applies to gifts presented to foreign nationals requiring any exception to the policy to be approved by Congress. Mementos may be presented to individuals included in paragraph 3a, except DOD personnel. Command or official theme mementos/gifts include but are not limited to plaques, pens, books, command/ship ball caps and other items with an official logo that cannot be misconstrued as a personal gift. Personal gifts such as sports equipment, T-shirts, golf shirts, flight jackets, uniforms, scarves, ties, alcohol, tobacco, flowers and other items that by their nature are considered personal may not be purchased with ORF funds. In all cases when items are presented within the authority provided by this subparagraph, a complete record must be maintained to include the name of the recipient and the reason for the presentation.

(2) It is DOD policy that payment for materials which exceed the requirements of a fiscal year in which they were purchased is not allowed. ORF purchases charged to a particular fiscal year will be restricted to the requirements (bona fide needs) of that fiscal year unless there are extenuating circumstances, e.g., deployment or lead time requirements.

d. Exclusions to ORF Uses. To ensure that ORF will only be used as Congress intended and to ensure the highest order of propriety, obligations or expenditures will not be incurred for:

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(1) Materials, services, travel, per diem or entertainment which may properly be charged to other programs or appropriations, such as, but not limited to, the Foreign Military Financing Program, Latin American Cooperation funds or regular Navy or Marine Corps operation and maintenance funds.

(2) Expenses in connection with the Guest Cruise Program except for a single hosted social function held in honor of individuals included in paragraphs 3a(1) through 3a(4) of this instruction.

(3) Any form of greeting cards, invitations, place cards, calling cards or other printed matter, including photographs except for foreign VIPs under the Foreign VIP Program.

(4) Any items of a personal nature for guests, such as floral corsages, parking, coat check fees or souvenirs and expenditures that the Commander, Military Sealift Command (COMSC) is normally expected to assume as a personal obligation, such as membership fees, dues, or the cost of personal guests or dependents other than their spouses at official functions.

(5) Expenses for clothing or clothing rental services.

(6) Payments for labor or gratuities to members of the Armed Forces or employees of the government for services performed in connection with official functions.

(7) Entertainment in connection with recruiting unless it otherwise complies with this instruction.

(8) Expenses in connection with ceremonies for keel layings, launchings, commissionings, recommissionings and decommissionings of naval ships and establishing and disestablishing shore installations, except for those occasions that warrant and are justified in providing official courtesies for official non-DOD guests approved in advance.

(9) Expenses in connection with military or civilian meetings, conferences, seminars, conventions or working groups. However, use of ORF in connection with meetings is allowed for one official hosted function (e.g., dinner/reception/luncheon) for the DOD and non-DOD guests within the prescribed ratios, and for any other hosted events during the time of the meetings (e.g., refreshments, lunches, receptions, etc.) only for non-DOD guests not covered by other funds. This policy applies to hosting individual dignitaries as well.

(10) Expenses in connection with performance awards or change of command and retirement ceremonies for DOD personnel. However, when a change of command reception is intended to provide an opportunity for the incoming commander to meet individuals qualifying under paragraphs 3a(1) through 3a(3) of this instruction, an exception may be requested in advance, to use ORF for the food and refreshments of non-DOD guests.

(11) Expenses in connection with social or entertainment functions hosted by spouses of Department of the Navy (DON) personnel, regardless of the nature of the function, or the official or unofficial status of attendees, except for visits to the United States by foreign officials and their spouses when invited by the Secretary of Defense (SECDEF), the Deputy Secretary of Defense, the Secretary of the Navy (SECNAV), the Chairman of the Joint Chiefs of Staff (JCS), CNO and Commandant Marine Corps (CMC), and except for official visits by these officials and their spouses to foreign countries.

(12) Expenses in connection with purchasing gifts or mementos presented by spouses of DON personnel, regardless of the official or unofficial status of the recipient of the gift or memento, except for visits to the United States by foreign officials and their spouses when invited by SECDEF, the Deputy SECDEF, SECNAV, the Chairman of JCS, CNO and CMC, and except for official visits by these officials and their spouses to foreign countries.

(13) Expenses for official mementos for spouses of individuals listed in paragraphs 3a(1) through 3a(5). Within the criteria used for ORF gift policy, spouses of foreign or U.S. dignitaries are not considered "distinguished or prominent citizens" merely on the basis of marital status. The spouse is considered a member of the distinguished guest's group, but not the honored guest. However, for purposes of appropriate ratios of non-DOD to DOD attending an official function, the spouse of the individual listed in paragraphs 3a(1) through 3a(4) is included as part of the non-DOD ratio.

(14) Expenses for DOD personnel, or other persons not qualifying under paragraph 3a, in connection with regularly recurring social functions including, but not limited to, military birthday balls, Army-Navy game events, and other similar command or DON-sponsored social functions not held in honor of those individuals described in paragraphs 3a(1) through 3a(4).

(15) Classified projects or intelligence/law enforcement purposes.

(16) Any expense not specifically authorized in this instruction unless advance written approval is granted by SECNAV.

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5. Approval, Payments and Financial Controls

- a. Code/Area Commander POC requests ORF from COMSC (N81) in writing.

(1) At time of request, code/Area Commander POC provides COMSC (N81) with the following information for mementos:

(a) Summary information (to include):

1. Description of the item
2. Recipient of the gift (unless it is a bulk purchase)
3. Approximate cost of the item

(b) Completed MSC 7042/1 (6-99) "Official Representation Expense Documentation Sheet" (enclosure (2))

(2) At time of request, code/Area Commander POC provides COMSC (N81) with the following information for functions:

(a) Summary information (to include):

1. Purpose of the official function
2. Number of DOD/non-DOD guests
3. Approximate cost of the function

(b) Completed MSC 7042/1 (enclosure (2))

b. COMSC N81 forwards request to COMSC (N00) with completed MSC 7042/1, summary information in 4a(1)(a) or 4a(2)(a), and the status of funds report (status of funds report includes authorized amount, the amount obligated and expensed to date, and the amount of the request).

c. N00 reviews the request and advises COMSC (N81) of disposition. COMSC (N81) contacts code/Area Commander POC with notification of approval or denial and provides notification of disposition to COMSC (N852).

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d. If approved, for purchases of \$2,500 and under, codes, inclusive of the Area Commanders, contact their ORF credit card holder who actually makes the purchase via the ORF purchase card. In order to facilitate this process, the code either contacts the vendor with the ORF credit card holder's name and phone number, or the code asks the credit card holder to call the vendor directly with the ORF purchase card information.

e. If approved for purchases greater than \$2,500, the code requests that the appropriate Contracting Office cut a purchase document using ASN's line of accounting. Bulk purchases such as ballcaps must be authorized as noted in 5(a) and distribution must be limited to individuals defined in section 4(a). The use of current fiscal year funding to finance bulk purchases or any other acquisitions in future fiscal years is prohibited. Additionally, a logbook must be maintained to support all issues. Such records should detail the person and capacity of the person to whom the memento is issued, the date of issuance, and the issuer. These records must be maintained for a minimum period of 6 years and 3 months and be made available upon request by Congress, Naval Audit Service, and others.

(R)

f. If the vendor will not accept the purchase card for purchases of \$2,500 and under, the code/Area Commander POC is encouraged to seek an alternate supplier.

g. For payments made with the purchase card:

(1) The purchaser electronically reconciles and certifies purchases in accordance with enclosure (3).

(2) The purchaser submits receipts, a signed credit card statement, a completed MSC 7042/1 and any other supporting documentation to COMSC (N852) to be consolidated and submitted to the Assistant for Administration, Under Secretary of the Navy (AAUSN).

(3) COMSC (N852) reviews the data, obtains the necessary N00 signatures, makes two copies of the package and forwards the following to AAUSN for payment certification.

(a) Completed MSC 7042/1.

(b) Signed credit card statement.

(c) Any additional supporting documentation (i.e., receipts, supporting invoices, attendance list, authorization).

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h. For payments not made with the purchase card:

(1) The purchaser submits a copy of the invoice, receipts, a completed MSC 7042/1 and any other supporting documentation to COMSC (N852) to be consolidated.

(2) COMSC (N852) prepares a 2277 and reviews the data, obtains the necessary N00 signatures, makes two copies of the package and forwards the following to ASN for payment certification.

(a) Completed MSC 7042/1 (enclosure (2)).

(b) Any additional supporting documentation (i.e. receipts, supporting invoices, attendance list, authorization).

i. COMSC (N852) provides COMSC (N81) with copies of the data submitted to AAUSN to update their status report.

6. Forms. If using an electronic copy of this instruction, enclosure (2) can be accessed for use by double clicking within the form's text box. If the form has more than one page, you must double click on each page individually to access. The form is also available on the MSC Intranet at intranet.msc.navy.mil. Other addressees may obtain the electronic version by forwarding a request to cheryl.miller@msc.navy.mil or nancy.barr@msc.navy.mil.

//S//

G. S. HOLDER

Distribution:

COMSCINST 5215.5

List I (Case A, B, C)

SNDL 41B (MSC Area Commanders)

**LISTING OF DOD OFFICIALS
ELIGIBLE FOR OFFICIAL COURTESIES**

OFFICE OF THE SECRETARY OF DEFENSE

Secretary and Deputy Secretary of Defense
Under Secretaries of Defense
Director, Defense Research and Engineering
Assistant Secretaries of Defense
Comptroller of the Department of Defense
General Counsel of the Department of Defense
Inspector General of the Department of Defense
Director, Operational Test and Evaluation
Assistants to the Secretary of Defense

JOINT CHIEFS OF STAFF

Chairman, Joint Chiefs of Staff
Vice Chairman, Joint Staff
Director, Joint Staff
Unified and Specified Commanders
Deputy Commander in Chief, Europe

MILITARY DEPARTMENTS


Secretaries, Under Secretaries, and Assistant Secretaries of the Military Departments
Chiefs and Vice Chiefs of Staff of the Army and Air Force
Chief and Vice Chief of Naval Operations
Commandant and Assistant Commandant of the Marine Corps

DEFENSE AGENCIES

Directors, Defense Agencies

**PRESIDENT, UNIFORMED SERVICES UNIVERSITY OF THE HEALTH
SCIENCES**

OFFICIAL REPRESENTATION EXPENSE DOCUMENTATION SHEET

1. DATE OF FUNCTION/EXPENSE:		2. TYPE OF FUNCTION/EXPENSE:	
3a. LOCATION HELD:	3b. TOTAL ORF COST:	4. NAME AND TITLE OF DOD HOST: (MILITARY OR CIVILIAN)	
5. NAME & TITLE OF SENIOR DOD OFFICIAL ATTENDING: (MILITARY & CIVILIAN)		6. TOTAL NUMBER OF DOD IN ATTENDANCE: (MILITARY, CIVILIAN & SPOUSES)	
7. NAME OF NON-DOD GROUP BEING ENTERTAINED OR OTHER PURPOSE, AS APPLICABLE:			
8. NAMES AND TITLES OF FIVE OF THE MOST DISTINGUISHED OR PROMINENT FOREIGN OR OTHER NON DOD OFFICIAL/CITIZENS IN ATTENDANCE. NAME FOREIGN COUNTRY, IF APPLICABLE:			
9a. TOTAL NON-DOD INVITED:	9b. TOTAL NUMBER OF NON-DOD ATTENDING:	10. TOTAL ATTENDING: (DOD & NON-DOD)	
11. IF PREPURCHASED MEMENTOS WERE PRESENTED TO NON-DOD OFFICIALS STATE THE FOLLOWING:		 NUMBER PRESENTED: TOTAL COSTS: DATE PURCHASED:	
12. OTHER PERTINENT FACTS:			
13. NAME, TITLE & SIGNATURE OF COMMANDING OFFICER:			

ORF PROCEDURES FOR USE OF

GOVERNMENT PURCHASE CARD

AND

ELECTRONIC CERTIFICATION OF

PURCHASES

(Revised 5/00)

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ORF PROCEDURES FOR USE OF GOVERNMENT PURCHASE CARD AND ELECTRONIC CERTIFICATION OF PURCHASES

I. GENERAL OVERVIEW

A. The Government Purchase Card (CitiBank Mastercard) is an alternative method of small purchase. This method replaces the NAVCOMPT 2277, Voucher For Disbursement and/or Collection. Without exception, the purchase card may only be used for authorized U.S. Government purchases. **Under no circumstances will the purchase card be used for cash advances.**

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B. CitiDirect is CitiBank's web-based electronic delivery system. Cardholders can access account and other card-related information online. Effective 21 April 2000, Cardholders in the SECNAV and CNO Staff Offices/Field Commands are now required to electronically reconcile and certify their purchases for payment. Contact the Agency Program Coordinator for ORF (APC-ORF) to obtain detailed instructions for using this feature.

(A)

II. RESPONSIBILITIES

A. Agency Program Coordinator for ORF (APC-ORF). The APC-ORF is an individual designated within the agency to perform contract administration within the limits of delegated authority. This individual shall have responsibility for the Government Purchase Card Program for ORF only within their agency/organization. The APC-ORF will establish local procedures for controlling and using credit cards based on the guidance contained herein.

B. Approving Official (AO). The AO/Assistant AO is a critical checkpoint for internal control purposes. The AO will review the cardholder's monthly statement (electronic and memo statement) and verify that all transactions are necessary and for official ORF purposes only. The AO will also assist the cardholder in resolving disputed payments. The AO must have knowledge of the job responsibilities of their designated cardholders and is considered the cardholder's "supervisor" under the ORF Program. A cardholder cannot be their own AO and may not be an approving official for their supervisor.

(R)

C. Cardholder. The cardholder is the individual Government employee to whom the Government Purchase Card is issued which bears the cardholder's name and may only be used by this individual to pay for authorized ORF purchases. All purchases must comply with SECNAVINST 7042.7J (Guidelines For Use of Official

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Representation Funds) and these implementing guidelines. Each cardholder is responsible for ensuring that the memento or service being purchased has been pre-approved. See Appendices – 1 and 2 for sample memorandum formats requesting approval of ORF. The cardholder is also responsible for reconciling their monthly electronic statement (e-statement) and forwarding the reconciled statement to the AO.

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D. Citibank. Citibank is the contractor who will maintain all Mastercard accounts. Citibank will issue cards to cardholders, post e-statements on CitiDirect, and send out monthly statements to cardholders, AOs and Billing Offices. Citibank will pay merchants in a timely manner and will receive reimbursement from the Billing Office of the agency.

E. Head of the Contracting Activity (HCA). The HCA for the Secretariat and Chief of Naval Operations is the Assistant For Administration, Under Secretary of the Navy (AAUSN) who will issue the delegation of authority letter to each cardholder which designates the individual as an authorized purchasing agent of the Federal Government. This letter will specify spending and usage limitations unique to that cardholder and personal liability for unauthorized use. The HCA will ensure program implementation is coordinated with appropriate billing office personnel.

III. AUTHORIZED CARD USE

A. Assigned Card. The credit card, in many ways, is like any other credit or debit card. It will be embossed with the name of the individual authorized to use it and the words "SECNAV ORF or CNO ORF". **NO OTHER PERSONNEL MAY USE IT.** It is designed so it will not be confused with a personal credit card. It should, however, be protected as a personal card and **MUST NOT BE USED FOR PERSONAL PURCHASES!**

B. Authorization. Many merchants now use electronic authorization methods allowing them to obtain authorization for all purchases regardless of amount. When authorization is sought for a purchase by the merchant, Citibank's authorization system will check each individual cardholder's single purchase limit and the type of merchant where the cardholder is making a purchase before authorization for that transaction will be granted.

C. Dollar Limits Associated with the Card. Use of the credit card by a cardholder is subject to a single purchase limit, a monthly cardholder limit and a monthly office limit. The purpose of these dollar limits is as follows:

1. Single Purchase Limit. The single purchase limit is a limitation on the procurement authority delegated to the cardholder by the HCA or authorized designee. This limit cannot be exceeded unless a revised delegation of authority is issued by the HCA or designee raising the limit. A "single purchase" using the card may include multiple items. However, the single purchases may not exceed the authorized single purchase limit established for each cardholder.

2. Monthly Cardholder Limit. The monthly cardholder limit is a

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budgetary limit

assigned by the AO. The AO shall coordinate with the APC when determining a monthly limit. The total dollar value of purchases when using the card for any single month may not exceed the monthly purchase limit set by the AO.

D. Conditions

1. A single purchase may include multiple items, however, the total amount of the purchase cannot exceed the cardholder's dollar limitation for individual purchase. Payment for purchases is not to be split in order to stay within the single purchase limit.
2. A requisition number, and either an appropriation cite or job order must be provided for each item to be acquired. The cardholder shall use these requisition numbers as the basic reference number for all record keeping.
3. All items purchased over the counter must be immediately available. No back ordering is allowed.
4. Confirm that the vendor agrees not to charge the credit card until shipment is made. Citibank's Merchant Regulations mandate that merchants delay the processing of a transaction until the purchased merchandise has been shipped.
5. For all purchases, advise the merchant that the purchase is not subject to state or local sales tax. A notice of tax exemption is also embossed on the credit card. If a merchant questions that tax exempt status, notify Citibank at 1-800-790-7206 so that the matter can be resolved. Erroneous state and local sales tax charges can only be resolved with the merchant. Payment cannot be withheld from the vendor because Citibank has no authority over State Revenue Offices.
6. Instruct the vendor to include the following information on the shipping document or packing slip:
 - ✓ Name of supplies;
 - ✓ Credit card number;
 - ✓ Cardholder name;
 - ✓ Date of order;
 - ✓ Requisition number;
 - ✓ Date of delivery or shipment; and
 - ✓ Itemized list of supplies furnished, including quantity, unit price, etc.

IV. **UNAUTHORIZED CARD USE.** The credit card **may not** be used for:

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1. Unofficial ORF expenses as outlined in SECNAVINST 7042.7J, Guidelines For Use of ORF
2. Cash advances through bank teller/ATMs;
3. Rental/lease of motor vehicles;
4. Rental or lease of land or buildings;
5. Purchase of airline, bus, boat, or train tickets;
6. Purchase of gasoline or oil for vehicles.
7. Repair of GSA leased vehicles;
8. Purchase of janitorial, yard, or NAVFAC-cog maintenance services;
9. Purchase of telecommunication or telephone equipment;
10. Printing or copying services;
11. Purchase of clothing or footwear.
12. Supplies, furniture, and equipment available on schedules from preferred (DLA/GSA) or mandatory (FPI, NBI/NISH) sources.

The mere fact that a merchant accepts the credit card for the purchase of an item or service does not authorize/justify the acquisition. The appropriate and proper use of the credit card always remains the responsibility of the individual cardholder.

V. TRANSACTION ACTIVITY

A. Store Purchases. If the cardholder is authorized by the HCA to make in-store purchases, the following additional procedures apply:

1. Items must be received at the time of purchase; and
2. Cardholders shall present a Government Identification Card at the time of purchase. The sales receipt shall be annotated with the cardholder's Government ID number.

B. Telephone Orders. If the cardholder is authorized by the HCA to place orders by telephone, the following additional procedures apply:

1. Confirm that the merchant agrees to charge the credit card when shipment is made. The order should not be placed without this assurance. If an item is not immediately available, no back-ordering is allowed. Purchases must be shipped within the same thirty (30) day billing cycle. The only exception to this are subscriptions.
2. If the order is to be picked up, the cardholder shall instruct both the courier and the vendor to ensure that the name and number of the courier's Government ID is annotated on the receipt.

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VI. RECONCILIATION PROCEDURES

Within five business days of the end of each billing cycle (21st of the month), Citibank will provide an electronic version of the statement on CitiDirect and mail a Memo Statement to the cardholder, the AO and the APC-ORF. These statements will reflect transactions that posted during the billing cycle. Upon receipt of this statement (electronic and hardcopy), the following must be accomplished:

A. Cardholder

1. Electronic Version:

- View the statement and verify that the posted charges are authorized and correct.
- If necessary, reallocate funds to the appropriate line of accounting.
- Certify all purchases and forward to the AO for approval and payment.

2. Hardcopy:

- Attach original or copies of documentation to the statement; i.e., the bankcard charge slip, sales draft, vendor invoice or cash register receipt; and the request for approval memorandum (approval to use ORF must be requested prior to making any purchases of items or services).
- If you have returned a purchased item and received a “credit voucher”, the voucher should be attached to the statement.
- If you are charged for an item incorrectly, provide a complete explanation of the error on the statement and action taken to correct it. It is the cardholder’s responsibility to first attempt resolution with the merchant. If the matter remains in dispute, a “Cardholder Dispute” form must be prepared and forwarded through the AO and Citibank.
- Sign the statement and forward it to the AO within three working days of receipt.

B. Approving Official

1. Electronic Version:

- View the statement after the cardholder has certified all transactions.
- Certify that all purchases are authorized and correct.
- Submit certification to CitiBank/DFAS for payment.

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2. Hardcopy:

- Review and verify all documentation/receipts are attached along with the ORF pre-approval memorandum.
- Maintain statement for five years.

The AO must resolve all questionable purchases with the cardholder. If the cardholder cannot provide sufficient explanations for the purchases, the AO must ensure that a credit voucher proving the item in question was returned for credit, or a personal check for the full amount of the purchase is obtained from the cardholder, and activity instructions for the improper use of the credit card are followed.

In the event that an unauthorized purchase is detected, the AO will notify the appropriate personnel to begin an investigation into the alleged unauthorized purchase. The AO must notify the Billing Office that the transaction was unauthorized so that an accounts receivable may be established. **If the transaction is determined unauthorized, the cardholder will be held accountable and will be indebted to the Department of the Navy.**

VII. LIABILITY

INTENTIONAL USE OF THIS CREDIT CARD FOR OTHER THAN OFFICIAL GOVERNMENT BUSINESS WILL BE CONSIDERED AN ATTEMPT TO COMMIT FRAUD AGAINST THE U.S. GOVERNMENT and may result in immediate cancellation of an individual's card and disciplinary action. The cardholder will be personally liable to the Government for the amount of any non-government purchases. Misuse of the credit card could result in a fine of not more than \$10,000 or imprisonment for not more than five years or both, under 18. U.S.C. 287.

APPENDIX VIII

PRE-APPROVAL MEMORANDUM FORMATS

**FOR USE BY CNO/STAFF/ECHOLON COMMANDS
(FUNCTIONS)**

MEMORANDUM FOR CHIEF OF NAVAL OPERATIONS (N09B2)

Subj: REQUEST FOR APPROVAL OF OFFICIAL REPRESENTATION
FUNDS

It is requested that Official Representation Funds be approved for a
_____ (luncheon/dinner/reception) to be held on _____
for the purpose of _____. Attendees will include
_____ (if extensive, attach list). The estimated cost
of this function is \$_____.

ORF Authorization Holder or
Designee Signature

Approved: _____

Disapproved: _____

Date: _____

Appendix A – 1

**FOR USE BY CNO/STAFF/ECHELON COMMANDS
(MEMENTOS)**

MEMORANDUM FOR CHIEF OF NAVAL OPERATIONS (N09B2)

Subj: REQUEST FOR APPROVAL OF OFFICIAL REPRESENTATION
FUNDS

It is requested that Official Representation Funds be approved for the
purchase of _____.
This memento will be presented to _____
_____, on behalf of the Department of the Navy. The estimated
cost is \$_____.

ORF Authorization Holder or
Designee Signature

Approved: _____

Disapproved: _____

Date: _____

Appendix A - 2